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JON S. CORZINE *Governor*

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BENJAMIN SPINELLI Executive Director

October 4, 2007

The Honorable Bernard O'Brien Mayor, Township of Holland Town Hall 61 Church Road Milford, NJ 08848

Re: Holland Township Petition for Initial Plan Endorsement

Consistency Review Letter

Dear Mayor O'Brien:

The Office of Smart Growth (OSG) and our state agency partners have reviewed the petition submitted by the Township of Holland for Initial Plan Endorsement and would like to commend the Township for its active participation and dedication to the Plan Endorsement process. Holland Township, its governing body, planning board, citizen volunteers, and the township's consultants have worked to develop a comprehensive land use strategy for the Township using the smart growth principles of the State Planning Commission and the State Development and Redevelopment Plan (State Plan).

Based on a review of Holland Township's petition for Initial Plan Endorsement, the OSG and our state agency partners have identified areas of concern that need to be addressed before the OSG can make a recommendation to the State Planning Commission that the petition is consistent with the State Plan. Pursuant to N.J.A.C. 5:85-7.5(f), I would like to request additional information, as outlined within this letter, to assist us with the evaluation of your petition for consistency with the goals, policies and strategies of State Plan.

Consistency Review-Additional Information Requested

Proposed Hamlet Centers – Boundaries

The state is concerned that the centers, as currently defined as two separate hamlets, will not adequately accommodate or accept the growth potential of the environs as proposed in your Master Plan and referenced below:

"To direct potential growth into a Village Center while maintaining the rural character of most of the Township and promoting Statewide objectives for agricultural land retention, open space preservation, and conservation of historic sites and districts." – 2001 Master Plan: Goals and Objectives – Current Goals

A center, as defined by the State Plan, means a compact form of development with one or more pedestrian-oriented areas of commercial and/or civic uses whose purpose is to serve residential neighborhoods while preserving the Rural or Environmentally Sensitive Environs.

The proposed hamlets are not currently consistent with the State Plan. The two proposed hamlets together total approximately 126 unconstrained acres and 94 constrained acres. The configuration of each of the centers has a significant issue that needs to be addressed, specifically, the linear configuration of the North Hamlet that runs almost ¾ of a mile up Route

519/Milford Warren Glen Road and the C1 stream and buffers that bisect the South Hamlet. Moreover, although both have commercial components, it is unclear based on the information provided how the commercial areas will connect with the residential areas within the centers given the natural barriers between them. There is also no explanation as to how each of these hamlets will help preserve the extensive agricultural uses and environmentally sensitive areas outside of the centers.

Consequently, there needs to be a reexamination and modification of the center boundaries prior to endorsement. The two hamlets are separated by less than half an acre containing the multi-family Fox Hill development. Perhaps by linking the two hamlets the configuration and functionality issues can be addressed. We understand that there is still a great deal of concern and confusion regarding center-based development in the Township. The Office of Smart Growth is prepared to conduct one public education meeting, whose goals will include:

- Explain in detail the type of center that is appropriate for a community like Holland.
- Show examples of different center types,
- Provide an understanding of how existing development and community character would be affected by a designated center,
- Explain how a center will benefit the Township, and
- Answer the public's questions regarding environmental constraints, water supply, wastewater management, etc.

With a greater understanding of center-based development, residents and public officials will be able to propose a center that respects the community's general design, is consistent with the State Plan and benefits the community by protecting the environs through directing growth to the center. Modification of the proposed centers may necessitate amending the Wastewater Management Plan to fully accommodate the potential growth in the center(s).

Before the public education meeting can take place, a general build out and capacity (potable water and wastewater) analysis is necessary to identify the development potential of the Township's environs based on the current zoning. This can be accomplished by the Township and State working together. The Township will complete the Municipal Assessment template provided by OSG. Then OSG, DEP and DOT will conduct opportunities and constraints analyses that includes consideration of wastewater management, water supply, environmental constraints and agricultural land. An understanding of the build out and constraints will allow everyone to fully understand the Township's future and should be the basis for center education in Holland Township.

Proposed Hamlet Centers - Design

A. The Township shall summarize the types/number of units, lot size and number of affordable units of Huntington Knolls, and thoroughly explain the mixed-use portion of the development and describe how the design adheres to smart growth principles.

B. The Township shall explain the actions taken to establish a buffer around the proposed centers as recommended in the Master Plan. The Township shall also explain any actions

taken to implement the recommendation to preserve properties adjacent to existing hamlets, including the specific steps taken, and plans to implement the recommendations.

Master Plan, Regulation, Zoning and other Ordinances

- A. The Township shall explain any significant changes to the Rural Residential (RR) zone when it was renamed Conservation/Agriculture (CA). There is a proposal in the Master Plan that recommends that the overall gross density of development in the RR zone (now CA) be reduced to one dwelling unit per each ten (10) acres for conventional development, with higher densities for development forms that preserve open space and farmland. It is assumed that "development forms that preserve open space and farmland" is referring to innovative land use techniques such as clustering, lot-averaging and non-contiguous residential clustering or Transfer of Development Rights (TDR). The Township should specify the development forms to which it is referring, the extent to which higher densities are allowed, and how these higher densities can be accommodated.
- B. In light of the statement in the Master Plan, "the standards for residential density and development intensity established under the current Zoning Ordinance are no longer acceptable in light of the policies expressed by the State Planning Commission in the adopted State Development and Redevelopment Plan. They are proposed to be altered so that future development is concentrated within the proposed Village Center and limited within its Environs." The Township shall explain how this was implemented and what densities have been established since the Master Plan was adopted in 2001.
- C. The Township shall submit the current zoning ordinance and a narrative statement describing the details of the Township's zones.
- D. The Township shall provide explanation of how clustering, lot-averaging and non-contiguous residential development or TDR can be applied throughout the Township to provide the necessary flexibility to protect environmentally sensitive areas and/or agricultural areas. If the use of these tools is limited to only certain areas or resources, the Township shall provide justification for limiting the use of these tools. The Township shall also provide the specific ordinances or regulations that allow or require these tools.
- E. The Township shall identify the specific development regulations, zoning and other ordinances, plans or other protections adopted by the Township that protect the scenic resources cited in the Master Plan.
- F. In relation to all of the above conservation notions, the Township shall explain how it intends to accommodate the potential growth of the environs in the proposed center(s). Downzoning alone is not consistent with the State Plan; and in seeking center(s), the Township must demonstrate how a balanced growth approach will be achieved.

Critical Habitat

- A. The Township shall identify specific development regulations, zoning and other ordinances, plans or protections adopted by the Township that provide protection of critical habitat. The updated version of DEP's Landscape Project habitat for State Threatened and Endangered Species will be released in the near future. DEP will provide guidance on site-specific issues related to critical threatened and endangered species habitat until such time that the update to the Landscape Project is released.
- B. The Township shall identify the specific development regulations, zoning and other ordinances, plans or protections adopted by the Township that protect and promote beneficial reuse of the historic sites and districts in Holland Township mentioned in Appendix A of the Master Plan and in the NRI.

Water, Sewer Service, Wastewater

- A. The Township shall provide a narrative statement and the specific development regulations, zoning and other ordinances or protections adopted by the Township that explains in greater detail the aquifer and groundwater supply in different areas of the Township. For example, the 2001 Master Plan identifies the southeast area of the Township as having reliable aquifers and groundwater supply, while at the same time having severe limitations for on-site septic facilities. The areas in the north and west of the Township have less reliable aquifers with a lower safe sustainable yield. The southwest area of the Township has moderate to severe limitations for septic suitability, as do varying other areas throughout the north half of the township.
- B. The Township shall provide a narrative statement and the specific development regulations, zoning and other ordinances or protections adopted by the Township that address flooding along stream corridors, rivers and creeks.
- C. The Master Plan identifies the following statement as its policy respecting water supply and sewage treatment capability:

"Where the site's underlying geologic formation supplies limited quantities of water or where soils preclude individual septic systems, the availability or public water and sewage treatment systems can overcome the natural limitations to development. On a regional basis, however, natural conditions are still the primary determinants of water supply and sewage treatment capability. Within a region, areas served by these utilities will become more intensively developed than areas which remain dependent upon site-specific resources, but the overall level of development in the region should reflect the resources still available within it."

The Township shall provide the zoning, ordinances or other development regulations that address wastewater treatment and water quality protection in the areas outside of the sewer service areas, particularly those areas of the Township identified as having limitations to water supply and septic suitability.

D. The 2001 Master Plan and 2004 Housing Element identify a sewer service area that differs from that of the DEP adopted (2006) area. However, the Sewer Service Area identified in these documents is consistent with the Wastewater Management Plan recently submitted to the DEP for review. The areas in the Township with the densest development, as well as the proposed centers, are identified as sewer service area. Both proposed centers are located in areas with severe limitations on septic suitability. As a result, the Township shall provide the zoning, ordinances or

other development regulations that address wastewater treatment and water quality protection in the areas outside of the sewer service areas, particularly the areas of the Township identified as

having limitations to septic suitability. In addition, the Master Plan and all supporting documents shall be updated and re-examined for consistency upon adoption of the Wastewater Management Plan.

- E. The Consumers New Jersey Water Franchise Areas map provided in the 2004 Housing Element differs from that of the DEP 1998 Water Purveyor Area mapping. The State recognizes that its data may be incorrect or outdated and requests documentation from Consumers New Jersey that the Franchise Areas depicted in the Housing Element is accurate.
- F. The Master Plan does not adequately identify or discuss wellhead protection areas or the importance of their protection. Further, the Plan does not identify Well H-1 operated by Consumers NJ, located at Willow Lane and the Musconetcong River (permit 24-01457). Accordingly, the Township shall recognize this well in its planning. The Township shall also provide the zoning, ordinances or other development regulations in place to protect its potable water sources.
- G. Holland Township shall identify the specific development regulations, zoning and other ordinances, plans or protections adopted that limit depletive water use and protect the underlying aquifers from contamination.
- H. Since the majority of the streams and rivers in the Township are either designated as, or proposed to be designated Category 1, the Township shall identify the specific development regulations, zoning and other ordinances, plans or protections adopted by the Township that provide protection of these water bodies.
- I. The Township shall identify the specific development regulations, zoning and other ordinances, plans or protections adopted that provide protection to the three Natural Heritage Priority Sites and multiple vernal pools identified in the Township, threatened plant species and ecological communities.

Open Space

- A. The Township shall identify any adopted or recently proposed dedicated funding sources for the preservation of open space (dedicated tax, bond indebtedness, etc.).
- B. The Township shall identify the specific proposals, strategies, needs and actions that were adopted, and provide examples of their successful implementation as a result of the Open Space Plan adopted in May 2004.

Conclusion

The Office of Smart Growth (OSG) and the State agencies would like to continue working with your community to achieve Plan Endorsement. The State Planning Commission adopted a resolution at its meeting of October 18, 2006 that authorizes the Office of Smart Growth to continue to work with petitioning entities towards Plan Endorsement by allowing for an extension of the time periods contemplated by the State Planning Rules through the execution of a Memorandum of Understanding (MOU) and an agreed-upon Action Plan that establishes timelines for completion and evaluation of the tasks identified by the Action Plan. Any extension of time authorized by an MOU would be contingent

on the petitioning entity's compliance with a mutually agreed-upon Action Plan, compliance with the MOU, and the petitioning entity's good faith efforts to progress towards achieving Plan Endorsement

Pursuant to N.J.A.C. 5:85-7.5(f), the Township has 90 days to either provide the requested additional information, or notify the OSG of its desire to enter into an Action Plan and MOU with the State Planning Commission. Given the breadth of items to be resolved, we recommend that you enter into the Action Plan and MOU. Accordingly, we would like to schedule a meeting with you and representatives of the relevant State agencies to further discuss next steps and formulate this Action Plan.

Thank you again for your commitment to the Plan Endorsement process. If you have any questions or concerns, please feel free to contact myself or Barry Ableman, Principal Planner, at (609)-292-3228 or via email at bableman@dca.state.nj.us.

Sincerely,

Benjamin L. Spinelli Executive Director

Bit L. S.M.

BS:ba

c: Catherine M. Miller, Municipal Clerk
Peter Craig, Planning Board Chair, Holland Township
Elizabeth C. McKenzie, P.P., P.A.
Courtenay Mercer, PP/AICP, Planning Director, OSG
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G. Sue Dziamara, AICP/PP, Planning Director, Hunterdon County
State Agencies via e-mail